

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

NORTHERN REGIONAL OFFICE

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David K. Paylor Director

STATE AIR POLLUTION CONTROL BOARD ENFORCEMENT ACTION - ORDER BY CONSENT ISSUED TO EURO-COMPOSITES CORPORATION FOR EURO-COMPOSITE FACILITY Registration No. 40922

SECTION A: Purpose

L. Preston Bryant, Jr.

Secretary of Natural Resources

This is a Consent Order issued under the authority of Va. Code §§ 10.1-1309 and -1316, between the State Air Pollution Control Board and Euro-Composite Corporation, regarding the Euro-Composite Facility, for the purpose of resolving certain violations of the Virginia Air Pollution Control Law and the applicable regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

- 1. "Board" means the State Air Pollution Control Board, a permanent citizens' board of the Commonwealth of Virginia, as described in Va. Code §§ 10.1-1184 and -1301.
- 2. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia, as described in Va. Code § 10.1-1183.
- 3. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.

- 4. "Facility" means the Euro-Composites Corporation facility, located at 13213 Airpark Drive in Culpeper, Virginia whom manufactures aramid and aluminum honeycomb composite.
- 5. "Euro-Composites" means Euro-Composites Corporation, a corporation authorized to do business in Virginia and its affiliates, partners, subsidiaries, and parents. Euro-Composites is a "person" within the meaning of Va. Code § 10.1-1300.
- 6. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.
- 7. "Order" means this document, also known as a "Consent Order" or "Order by Consent," a type of Special Order under the Virginia Air Pollution Control Law.
- 8. "Permit" means a New Source Review permit to modify and operate an aramid and aluminum honeycomb composite manufacturing facility, which was issued under the Virginia Air Pollution Control Law and the Regulations to Euro-Composites Corporation on September 17, 2008.
- 9. "NRO" means the Northern Regional Office of DEQ, located in Woodbridge, Virginia.
- 10. "Regulations" or "Regulations for the Control and Abatement of Air Pollution" mean 9 VAC 5 chapters 10 through 80.
- 11. "Va. Code" means the Code of Virginia (1950), as amended.
- 12. "VAC" means the Virginia Administrative Code.
- 13. "Virginia Air Pollution Control Law" means Chapter 13 (§ 10.1-1300 et seq.) of Title 10.1 of the Va. Code.

SECTION C: Findings of Fact and Conclusions of Law

- 1. Euro-Composites owns and operates the Facility in Culpeper County, Virginia. The Facility manufacturers an aramid and aluminum honeycomb composite.
- 2. The Facility is the subject of the Permit which allows Euro-Composites to operate a curing oven with rated capacity of 18 MMBth/hr and a stabilizing oven with a rated capacity of 0.30 MMBth/hr. The permit identifies the control device for the Davron Oven as an afterburner and ceramic cordierite honeycomb monolith catalyst with 98% destruction.
- 3. On February 26, 2009, DEQ received notification from Euro-Composites that the installation of the catalyst commenced March 3, 2008, and was completed on March 6, 2008 with startup of the oven performed on March 7, 2008.

- 4. On March 19, 2009 DEQ staff conducted a Partial Compliance Evaluation of the Facility record and the February 26, 2009 notification for compliance with the requirements of the Virginia Air Pollution Control Law, the Permit, and the Regulations. Based on the evaluation and follow-up information, Department staff made the following observations:
 - a) Euro-Composites failed to obtain a permit to modify and operate the source prior to beginning actual modification of a source as required by 9 VAC 5-80-1120A;
 - b) Euro-Composites failed to provide written notification of the date of commencement of modification, anticipated date of initial startup, and actual date of startup within the timeframes set forth in 9 VAC 5-50-50A;
 - c) Euro-Composites failed to conduct initial performance testing within 180 days of startup as required by 9 VAC 5-80-1200 and Condition 14 of the Permit.
- 5. Condition 14 of the Permit requires that, "Initial performance tests shall be conducted for VOCs from the effluent stack of the Davron Oven (Curing) using EPA Reference Methods 1-4, 18 and 25A to determine compliance with the emission limits and control efficiency requirements contained in Conditions 2 and 11. The tests shall be performed within sixty days after achieving the maximum production rate at which the facility will be operated but in no event later than 180 days after start up of the permitted unit...".
- 6. On April 1, 2009, based on the inspection and follow-up information, the Department issued Notice of Violation to the Euro-Composites for the alleged violations described in paragraphs C(4).
- 7. On May 26, 2009, DEQ received results of the Initial Compliance Test Report. The results indicated that the VOC removal efficiency of the new equipment was 91.4%.
- 8. On June 2, 2009, Department staff conducted a Partial Compliance Evaluation of the Initial Compliance stack test submitted by the Facility record for compliance with the requirements of the Virginia Air Pollution Control Law, the Permit, and the Regulations. Based on the inspection and follow-up information, Department staff made the following observations:
 - a. Euro-Composites failed to meet the destruction efficiency rate of 98% as required by Condition 2 of the Permit.
 - b. Euro-Composites failed to meet the VOC emissions rate of 0.11 lbs/hr as required by Condition 11 of the Permit
- 9. Condition 2 of the Permit requires that "Volatile Organic Compounds (VOC) emissions from the Davron Oven (Curing) shall be controlled by direct flame afterburner, and a ceramic cordierite honeycomb monolith catalyst in the afterburner chamber and will have a minimum VOC destruction efficiency of 98.0 %. The direct flame afterburner and cordierite honeycomb monolith catalyst shall be in operation when the Davron oven is in operation. The control devices shall be provided with adequate access for inspection. The VOC capture and destruction efficiency of the control devices shall be equal to or exceed 98 % during operation."

- 10. Condition 11of the Permit requires that "Emissions from the operation of the Kreutz and Davron Ovens (Stabilizing and Curing) shall not exceed... 0.11 lbs/hr and 0.5 tons/yr Volatile Organic Compounds...".
- 11. On June 3, 2009, based on the inspection and follow-up information, the Department issued Notice of Violation to the Euro-Composites for the violations described in paragraphs C(8), above.
- 12. On June 24, 2009, DEQ met with representatives of Euro-Composites to discuss the violations and the steps needed to return to compliance.
- 13. In order for Euro-Composites to return to compliance, DEQ staff and representatives of Euro-Composites have agreed to the Schedule of Compliance, which is incorporated into Appendix A of this Order.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code §§ 10.1-1309 and -1316, the Board orders Euro-Composites, and Euro-Composites agrees to:

- 1. Perform the actions described in Appendix A of this Order; and
- 2. Pay a civil charge of \$2364.00 within 30 days of the effective date of the Order in settlement of the violations cited in this Order.

Payment shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," and delivered to:

Receipts Control
Department of Environmental Quality
Post Office Box 1104
Richmond, Virginia 23218

Euro-Composites shall include its Federal Employer Identification Number (FEIN) with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF).

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend this Order with the consent of Euro-Composites for good cause shown by Euro-Composites, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.

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- 2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.
- 3. For purposes of this Order and subsequent actions with respect to this Order only, Euro-Composites admits to the jurisdictional allegations, and agrees not to contest, but neither admits nor denies, the findings of fact, and conclusions of law in this Order.
- 4. Euro-Composites consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.
- 5. Euro-Composites declares it has received fair and due process under the Administrative Process Act and the Virginia Air Pollution Control Law and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.
- 6. Failure by Euro-Composites to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.
- 7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.
- 8. Euro-Composites shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other occurrence. Euro-Composites shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. Euro-Composites shall notify the DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:
 - a. the reasons for the delay or noncompliance;
 - b. the projected duration of any such delay or noncompliance;
 - c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and

d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the Regional Director verbally within 24 hours and in writing within three business days, of learning of any condition above, which the Euro-Composites intends to assert will result in the impossibility of compliance, shall constitute a waiver of any claim to inability to comply with a requirement of this Order.

- 9. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.
- 10. This Order shall become effective upon execution by both the Director or his designee and Euro-Composites. Nevertheless, Euro-Composites agrees to be bound by any compliance date which precedes the effective date of this Order.
- 11. This Order shall continue in effect until:
 - a. Euro-Composites petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or
 - b. the Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to Euro-Composites.

Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve Euro-Composites from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

- 12. Any plans, reports, schedules or specifications attached hereto or submitted by Euro-Composites and approved by the Department pursuant to this Order are incorporated into this Order. Any non-compliance with such approved documents shall be considered a violation of this Order.
- 13. The undersigned representative of Euro-Composites certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to execute and legally bind Euro-Composites to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of Euro-Composites.
- 14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.

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15. By its signature below, Euro-Compo	osites voluntarily agrees to the issuance of this Order.
And it is so ORDERED this day o	f October, 2009.
	Thomas A Faha, Regional Director
	Department of Environmental Quality

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APPENDIX A SCHEDULE OF COMPLIANCE

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Euro-Composites Corporation voluntarily agrees to the issuance of this Order. Date: 10-07-09 By: Jah Jah , Sree VP BoD (Person) (Title) Euro-Composites Corporation Commonwealth of Virginia City/County of <u>Culpapar</u> The foregoing document was signed and acknowledged before me this 7 day of October, 2009, by Sylke Heil who is Executive Vice President of Euro-Composites Corporation, on behalf of the corporation. Darbara J. Welester Notary Public 336529 Registration No. My commission expires: 02-28-2011 Notary seal: